

# LYNCHBURG CITY COUNCIL

## Agenda Item Summary

MEETING DATE: **January 11, 2005**

AGENDA ITEM NO.: 14

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Falwell Aviation, Inc. Lease Amendment**

### RECOMMENDATION:

Approve an amendment to the Falwell Aviation, Inc. lease of the aircraft maintenance hangar facility at Lynchburg Regional Airport that would authorize Falwell to conduct certain additional aeronautical services that are necessary in order to operate as a Fixed Base Operator (FBO) under airport's Minimum Operating Standards. Authorize the City Manager to execute the lease amendment on behalf of the City.

### SUMMARY:

On January 27, 2004, City Council approved an assignment of the Britannia Aviation lease of the aircraft maintenance hangar facility at Lynchburg Regional Airport to Falwell Aviation. Since that time, Falwell has been operating under specific lease terms that authorize only aircraft maintenance and storage activities at that facility. In addition, Falwell has been operating its Federal Aviation Administration (FAA) approved aircraft charter service from the facility under a separate Airport Business License that was previously granted on April 13, 2001.

As a result of the continued growth of its core business, in November 2004 Falwell applied to become a Fixed Base Operator (FBO) under the airport's new Minimum Operating Standards that went into effect on August 10, 2004. In order to become an FBO under the new standards, however, in addition to its current services Falwell will be required to provide retail fuel services, an FAA-approved flight school, aircraft rental and aircraft sales at levels stipulated in the minimum standards.

On December 7, 2004, the Lynchburg Regional Airport Commission held a special meeting for the purpose of conducting a final review of Falwell's FBO application and to make a recommendation to City Council for final action. At the conclusion of that meeting, the Commission passed a motion to accept Falwell's application to conduct FBO activities on Lynchburg Regional Airport, with certain required services permitted to be sub-contracted to a third-party.

PRIOR ACTION(S): none

FISCAL IMPACT: Net estimated increase in airport revenue of \$400 to \$500 per month.

CONTACT(S): Mark F. Courtney 455-6089 Airport Director

ATTACHMENT(S):

1) Resolution 2) Lease Amendment

REVIEWED BY: lkp

RESOLUTION

BE IT RESOLVED That the Lynchburg City Council approves an amendment to the Britannia Aviation Lease of Property: Hangars #7 and #8, as assigned to Falwell Aviation, to permit Falwell to conduct the required additional aeronautical services necessary to operate as a Fixed Base Operator at Lynchburg Regional Airport, with certain of those services permitted to be contracted to a third-party; and,

BE IT FURTHER RESOLVED That the City Manager is authorized to execute the lease amendment.

Adopted:

Certified:

\_\_\_\_\_  
Clerk of Council

009L

**ADDENDUM OF AIRCRAFT AND OFFICE LEASE**  
**AP 212, HANGARS #7 AND #8**

**THIS ADDENDUM OF AIRCRAFT AND OFFICE LEASE** made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2005, by and between the **CITY OF LYNCHBURG**, a municipal corporation of the Commonwealth of Virginia (the “City”) and, **FALWELL AVIATION, INC.**, a Virginia Corporation (“Falwell”).

**WITNESSETH:**

**WHEREAS**, the City owns and operates a public facility known as the Lynchburg Regional Airport, located in Campbell County, Virginia (the “Airport”), together with certain structures and improvements thereon; and

**WHEREAS**, the City and Britannia Aviation Resources, Inc., entered into a Lease Agreement dated April 1, 2002 (the “Lease Agreement”), wherein Britannia was granted a lease from the City of certain airport maintenance hangar facilities known as AP 212, Hangars #7 and #8 (the “Hangars”) for the purpose of providing certain aeronautical services at the Airport; and

**WHEREAS**, by an Assignment of Aircraft and Office Lease dated November 26, 2003, between the City, Britannia Aviation Resources, Inc. and Aviation Technical Services, the April 1, 2002 Lease Agreement was assigned from Britannia Aviation Resources, Inc. to Aviation Technical Services; and

**WHEREAS**, by an Assignment of Aircraft and Office Lease dated January 28, 2004, between the City, Aviation Technical Services and Falwell Aviation, the April 1, 2002 Lease Agreement was assigned from Aviation Technical Services to Falwell Aviation; and

**WHEREAS**, Falwell Aviation has requested that the April 1, 2002, Lease Agreement be amended to allow Falwell Aviation to provide additional aeronautical services at the Lynchburg Regional Airport in order to operate as a Fixed Base Operator (FBO) at the Airport; and

**NOW, THEREFORE, WITNESSETH:** For and in consideration of the sum of One Dollar (\$1.00), cash in hand paid, and other valuable consideration, the receipt of which is hereby acknowledged, and in consideration of the mutual promises and covenants hereinafter contained, the City and Falwell hereto mutually agree as follows, to-wit:

**ARTICLE III– SCOPE OF SERVICES TO BE OFFERED BY THE LESSEE AND USE  
OF PREMISES BY THE LESSEE**

Is hereby amended to allow Falwell to provide the following additional FBO services at the Lynchburg Regional Airport: (a) aircraft charter, FAR Part 135 Air Carrier-Chapter Two, Section VI(B) of the Airport's Minimum Operating Standards (b) retail fuel services-Jet A & Avgas (c) FAR Part 141-approved flight school for primary flight training and ground school in compliance with Chapter Two, Section VI (D) of the Airport's Minimum Operating Standards (d) Aircraft Rental-Chapter Two, Section VI(C) of the Airport's Minimum Operating Standards, and (e) Aircraft Sales-Chapter Two, Section VI (F) of the Airport's Minimum Operating Standards. Retail fuel services shall be provided by a third party agreement in accordance with the December 6, 2004, letter from Falwell Aviation to Mark F. Courtney, Airport Director, a copy of which is attached hereto and by this reference made a part of this Addendum. Falwell's right to provide retail fuel services at the Lynchburg Regional Airport does not include the right to operate a fuel farm unless Falwell is specifically authorized to operate a fuel farm in accordance with the provisions of Paragraph A., Article III-Scope of Services to be Offered by the Lessee and Use of Premises by the Lessee, of the April 1, 2002, Lease Agreement. In providing FBO services at the Lynchburg Regional Airport Falwell will comply with all of the requirements of the Airport's Minimum Operating Standards that are applicable to its activities at the Airport to the satisfaction of the City, either directly or by third party agreements.

Except as modified herein, all the terms and conditions set forth in the April 1, 2002, Lease Agreement; the November 26, 2003, Assignment of Aircraft and Office Lease; and, the January 28, 2004, Assignment of Aircraft and Office Lease, shall remain in full force and effect and shall apply to this Addendum of Aircraft and Office Lease.

**IN WITNESS WHEREOF**, the parties hereto have caused this Addendum of Aircraft and Office Lease to be executed by their duly authorized officers as of the day and year first above written.

**CITY OF LYNCHBURG**

By: \_\_\_\_\_  
L. Kimball Payne, City Manager

ATTEST: \_\_\_\_\_  
Clerk of Council

**FALWELL AVIATION, INC.**

By: \_\_\_\_\_  
W. Calvin Falwell, President

ATTEST: \_\_\_\_\_